

Anglican Church Diocese of Sydney

Dr Peter Jensen - Archbishop



June 4, 2009

To All Clergy and Curates-in-Charge

Sydney Anglicans and the GFC

Brothers and Sisters in Christ,

As I write to you I am conscious of the pain that our society and many of you are feeling because of the Global Financial Crisis. When I spoke to Synod last October about “the test of abundance that Australia has undergone and the test of want that may be coming” we were all fearful of what lay ahead.

Now we have begun to experience unemployment at higher levels and it seems from recent reports that New South Wales families are the hardest hit. I am aware that a number of our church members have to deal with the reality of job loss. As I encouraged you then, even more so now, I urge each one of us to uphold those great biblical virtues of faith, hope and love. Let them mark our lives and witness to the society in which we live.

I say this as context for what is the main point of this letter to you. I felt it necessary to write in order that you are able to understand how our own diocese has been impacted by the financial crisis and what we are doing both in response to our situation and to safeguard our ministry into the future.

Firstly, I want you to know that we have suffered very significant losses to our diocesan capital. For several years now we have borrowed money to increase the amount invested. This resulted in greater than average returns. In fact, a special 20 million dollar distribution to help purchase land and build new churches was possible in 2007 because of this.

But in the extraordinary conditions at the end of 2008, as the whole market fell, this strategy also accentuated our losses. As a result, our investments have fallen by more than half and the distribution of money from our investments has been cut by 50%. Ministries which depend on this funding will be severely impacted.

Our investment position is now stable. All bank debt has been repaid, investment risks have been significantly reduced and our liquidity position is very strong. But the losses remain. All these circumstances have been reported during the first part of the year through the proper processes of our diocese, most notably to Standing Committee. Furthermore, a thorough independent review of our investment operations is underway. But now comes the time when hard decisions will have to be made.

Please note that the central funding is only a small proportion of the overall income of the diocese. Your congregation raises its own money to fund local ministry and the money you give to your church is not affected.

The income in question will affect services the diocese provides to your church. Part of it comes from a major fund called the Diocesan Endowment and includes regional grants and top-up funding for bodies such as Youthworks and Moore College. A parallel cutback in allocations from the other major source of central income called the Endowment of the See will affect the Archbishop, Bishops, Archdeacons and regional offices. As a result, a significant restructuring has begun and will continue.

It is a humbling experience. It is a reminder to me and to all of us of our dependence on the Lord in lean times as well as plenty. The Mission Board has already been working to prepare for some tough decisions that our Standing Committee and Synod will have to make. For this reason, I intend to invite all Synod representatives to a series of pre-Synod briefings in August when more detail will be available and opportunity will be given for questions.

What can you do? Continue to be generous. Show compassion to those struggling with hard times. Please be in prayer for wisdom for the men and women on whom we place the responsibility of Synod membership.

We need to be open about our diocesan finances and what it means for our ministries. But we do not need to be downhearted. The Lord still expects us to be engaged in a great endeavour to reach our cities for Christ and he will supply all our needs. He has his plans and his timing. We must respond in prayer and with expectation that he will work out his purposes through us.

With my best wishes.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Peter F. Jensen". The signature is written in a cursive style with a large initial "P".

Dr Peter F Jensen
Archbishop of Sydney